

## FOR IMMEDIATE RELEASE March 4, 2022 www.bis.doc.gov

## BUREAU OF INDUSTRY AND SECURITY Office of Congressional and Public Affairs OCPA@bis.doc.gov

## COMMERCE TAKES FURTHER ACTIONS TO TARGET RUSSIAN STRATEGIC INDUSTRIES AND PUNISH ENABLERS OF AGGRESSION

**WASHINGTON, D.C.** – The U.S. Commerce Department, through its Bureau of Industry and Security (BIS), has taken two additional actions in response to Russia's brutal assault on the sovereignty of Ukraine.

The new regulations target Russia's oil refining sector with new stringent export controls and identify 91 entities that support Russian military activities. These actions will further restrict access to U.S. commodities, software, and technology as part of our ongoing efforts to degrade Russia's ability to acquire the items it needs to sustain its military aggression.

"With each passing day, as Russia continues its assault on Ukraine, it finds itself with fewer places to turn for economic and material support," **said Secretary of Commerce Gina M. Raimondo.** "The United States and our allies and partners will continue to stand strong with the people of Ukraine and today's actions will further restrict Russia's access to revenue to support its aggression."

"We remain dedicated to standing with the Ukrainian people in their fight against Russia's aggression," **said Deputy Secretary of Commerce Don Graves**. "This is truly a moment of reckoning for our values. Our message to Ukraine is: We are with you, and you have the might of the U.S. and a growing list of partners behind you."

"Watching Ukrainians of all ages pitching in any way they can to save their country is as heartbreaking as it is inspiring," said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler. "BIS is proud to be leading these new, strong efforts to further erode Russia's ability to finance its military and punish those who seek to support them."

BIS issued two rules which took take effect when publicly released by the Federal Register on March 3, 2022.

The first rule builds on existing restrictions BIS put in place on the Russian deepwater oil and gas exploration and extraction industries in 2014 by imposing a policy of denial on such items and applying similarly stringent restrictions on a wide variety of items necessary for refining oil. Russia is one of the world's leading producers of oil products and these restrictions will limit its ability to raise revenue from the sale of refined products, including gasoline, that it can use to support its military efforts. The text of this rule is available <a href="here">here</a>.

The second rule implemented today adds 91 new parties in 10 countries to the Commerce Department's Entity List. The parties were added to the list upon a determination by the interagency End-User Review Committee (ERC), made up of the Departments of Commerce (Chair), Defense, State, Energy, and where appropriate, Treasury, based upon their involvement in, contributions to, or other support of the Russian security services, military and defense sectors, and military and/or defense research and development efforts. These entities are located in: Russia (81), United Kingdom (3), Estonia (3), Spain (2), Malta (2), Kazakhstan (1), Latvia (1), Belize (1), Singapore (1), and Slovakia (1) (NOTE: Total entries is 96 as some entities operate in multiple countries). A full list of the entities by country is available in the text of the rule here.

These BIS actions were taken under the authority of the Export Control Reform Act of 2018 and its implementing regulations, the Export Administration Regulations (EAR).

Additional information on the Biden-Harris Administration's response is available <u>here</u>.

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